

**Village of Maple Rapids  
Clinton County, Michigan**

**FINANCIAL STATEMENTS**

**December 31, 2003**

Village of Maple Rapids  
Clinton County, Michigan

December 31, 2003

VILLAGE OFFICERS AND TRUSTEES

Mr. George Abbott, Jr.	President
Mr. Jeff Stephens	Trustee
Mr. Jim Gavenda	Trustee
Mr. Brent Blemaster	Trustee
Mr. Steven Finch	Trustee
Mr. Timothy Maier	Trustee
Mr. Daryl Trefil	Trustee
Mr. Robert Holland	Clerk
Ms. Melinda Thomas	Treasurer

Village of Maple Rapids

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Principals

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Karen A. Roka, CPA  
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Alan D. Panter, CPA  
William I. Tucker IV, CPA  
Kurt M. Lemmen, CPA



**ABRAHAM & GAFFNEY, P.C.**  
Certified Public Accountants

Member:  
American Institute of  
Certified  
Public Accountants  
and  
Michigan Association of  
Certified Public  
Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable President and  
Members of the Village Council  
Village of Maple Rapids  
Maple Rapids, Michigan

We have audited the accompanying general purpose financial statements of the Village of Maple Rapids, Michigan as of and for the year ended December 31, 2003, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Village of Maple Rapids, Michigan as of December 31, 2003, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements listed in the Table of Contents under Supplemental Financial Information are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Village of Maple Rapids, Michigan. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

*Abraham & Gaffney, P.C.*

ABRAHAM & GAFFNEY, P.C.  
Certified Public Accountants

March 12, 2004

## **GENERAL PURPOSE FINANCIAL STATEMENTS**

Village of Maple Rapids

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

December 31, 2003

	Governmental Fund Types		Proprietary Fund Type
	General	Special Revenue	Enterprise
<b>ASSETS</b>			
Cash and cash equivalents	\$ 70,651	\$ 156,155	\$ 133,819
Accounts receivable	5,914	-	15,348
Due from other funds	4,289	10,203	-
Due from other governmental units	21,436	7,707	-
Advance to other funds	46,397	-	-
Fixed assets (net of accumulated depreciation)	-	-	689,640
Amount to be provided for retirement of general long-term debt	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 148,687</b>	<b>\$ 174,065</b>	<b>\$ 838,807</b>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 3,663	\$ 1,186	\$ 5,466
Other accrued liabilities	5,057	-	-
Due to other funds	10,203	762	3,527
Advance from other funds	-	46,397	-
Capital lease payable	-	-	-
<b>TOTAL LIABILITIES</b>	<b>18,923</b>	<b>48,345</b>	<b>8,993</b>
<b>FUND EQUITY</b>			
Contributed capital			
Federal government	-	-	190,470
Taxpayers	-	-	247,461
Investment in general fixed assets	-	-	-
Retained earnings			
Unreserved	-	-	391,883
Fund balance			
Unreserved	129,764	125,720	-
<b>TOTAL FUND EQUITY</b>	<b>129,764</b>	<b>125,720</b>	<b>829,814</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 148,687</b>	<b>\$ 174,065</b>	<b>\$ 838,807</b>

See accompanying notes to general purpose financial statements.

Account Groups		
General Fixed Assets	General Long-Term Debt	Totals (Memorandum Only)
\$ -	\$ -	\$ 360,625
-	-	21,262
-	-	14,492
-	-	29,143
-	-	46,397
700,747	-	1,390,387
-	13,102	13,102
<u>\$ 700,747</u>	<u>\$ 13,102</u>	<u>\$ 1,875,408</u>
\$ -	\$ -	\$ 10,315
-	-	5,057
-	-	14,492
-	-	46,397
-	13,102	13,102
-0-	13,102	89,363
-	-	190,470
-	-	247,461
700,747	-	700,747
-	-	391,883
-	-	255,484
<u>700,747</u>	<u>-0-</u>	<u>1,786,045</u>
<u>\$ 700,747</u>	<u>\$ 13,102</u>	<u>\$ 1,875,408</u>

Village of Maple Rapids

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
ALL GOVERNMENTAL FUND TYPES

Year Ended December 31, 2003

	General	Special Revenue	Totals (Memorandum Only)
REVENUES			
Taxes	\$ 102,041	\$ -	\$ 102,041
Intergovernmental	73,384	48,623	122,007
Charges for services	43,761	40,555	84,316
Interest and rents	33,932	910	34,842
Other	15,150	4,301	19,451
TOTAL REVENUES	268,268	94,389	362,657
EXPENDITURES			
General government	24,165	-	24,165
Public safety	27,858	28,403	56,261
Public works	115,050	36,380	151,430
Health and welfare	1,607	-	1,607
Recreation and cultural	17,242	4,532	21,774
Other	58,478	-	58,478
Debt service	-	13,787	13,787
TOTAL EXPENDITURES	244,400	83,102	327,502
EXCESS OF REVENUES (UNDER) EXPENDITURES	23,868	11,287	35,155
OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	11,626	11,626
Operating transfers out	(7,000)	(4,626)	(11,626)
TOTAL OTHER FINANCING SOURCES (USES)	(7,000)	7,000	-0-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	16,868	18,287	35,155
Fund balances, beginning of year	112,896	107,433	220,329
Fund balances, end of year	\$ 129,764	\$ 125,720	\$ 255,484

See accompanying notes to general purpose financial statements.



Village of Maple Rapids

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND SPECIAL REVENUE FUND TYPES

Year Ended December 31, 2003

	General Fund		
	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 101,450	\$ 102,041	\$ 591
Intergovernmental	75,500	73,384	(2,116)
Charges for services	41,000	43,761	2,761
Interest and rents	29,700	33,932	4,232
Other	12,900	15,150	2,250
TOTAL REVENUES	260,550	268,268	7,718
EXPENDITURES			
General government	24,733	24,165	568
Public safety	38,650	27,858	10,792
Public works	123,270	115,050	8,220
Health and welfare	1,700	1,607	93
Recreation and cultural	21,000	17,242	3,758
Other	67,950	58,478	9,472
Debt service	-	-	-0-
TOTAL EXPENDITURES	277,303	244,400	32,903
EXCESS OF REVENUES (UNDER) EXPENDITURES	(16,753)	23,868	40,621
OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	-	-0-
Operating transfers out	(7,000)	(7,000)	-0-
TOTAL OTHER FINANCING SOURCES (USES)	(7,000)	(7,000)	-0-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	(23,753)	16,868	40,621
Fund balances, beginning of year	112,896	112,896	-0-
Fund balances, end of year	\$ 89,143	\$ 129,764	\$ 40,621

See accompanying notes to general purpose financial statements.

Special Revenue Funds		
Amended Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -0-
43,000	48,623	5,623
41,250	40,555	(695)
230	910	680
4,400	4,301	(99)
88,880	94,389	5,509
-	-	-0-
31,265	28,403	2,862
45,700	36,380	9,320
-	-	-0-
6,730	4,532	2,198
-	-	-0-
25,000	13,787	11,213
108,695	83,102	25,593
(19,815)	11,287	31,102
11,626	11,626	-0-
(4,626)	(4,626)	-0-
7,000	7,000	-0-
(12,815)	18,287	31,102
108,229	107,433	(796)
\$ 95,414	\$ 125,720	\$ 30,306

Village of Maple Rapids

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
RETAINED EARNINGS - PROPRIETARY FUND TYPE

Year Ended December 31, 2003

	<u>Enterprise</u>
OPERATING REVENUES	
Charges for services	\$ 62,909
OPERATING EXPENSES	
Labor charges	12,886
Contractual services	1,366
Utilities	6,323
Repairs and maintenance	6,952
Equipment rental charges	15,464
Water/Sewer sample testing	1,752
Other	8,679
Depreciation	<u>30,790</u>
TOTAL OPERATING EXPENSES	<u>84,212</u>
OPERATING (LOSS)	(21,303)
NONOPERATING REVENUES	
Intergovernmental - State	859
Interest revenue	<u>751</u>
TOTAL NONOPERATING REVENUES	<u>1,610</u>
NET (LOSS)	(19,693)
Add depreciation on contributed fixed assets	<u>18,870</u>
(DECREASE) IN RETAINED EARNINGS	(823)
Retained earnings, beginning of year	<u>392,706</u>
Retained earnings, end of year	<u><u>\$ 391,883</u></u>

See accompanying notes to general purpose financial statements.

Village of Maple Rapids

COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE

Year Ended December 31, 2003

	<u>Enterprise</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Operating (loss)	\$ (21,303)
Adjustments to reconcile operating (loss) to net cash provided by operating activities	
Depreciation	30,790
(Increase) in utilities receivable	(1,629)
Increase in due to other funds	2,499
Increase in accounts payable	<u>700</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	11,057
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES	
Intergovernmental - State	859
Interest revenue	<u>751</u>
NET CASH PROVIDED BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>1,610</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING YEAR	12,667
Cash and cash equivalents, beginning of year	<u>121,152</u>
Cash and cash equivalents, end of year	<u><u>\$ 133,819</u></u>

See accompanying notes to general purpose financial statements.

Village of Maple Rapids

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

December 31, 2003

**NOTE A: DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Village of Maple Rapids is located in Clinton County, Michigan and has a population of approximately 700. The Village of Maple Rapids operates with a Village President/Council form of government and provides services to its residents in many areas including general government, law enforcement, highways and streets, human services, and utilities services.

The Village Council is made up of the Village President, Clerk, Treasurer, and six (6) trustees who are selected at large for overlapping four-year terms.

The financial statements of the Village have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to Village governments. The Governmental Accounting Standards Board is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Village's more significant accounting policies are described below.

1. Reporting Entity

As required by accounting principles generally accepted in the United States of America; GASB Statement No. 14, *The Financial Reporting Entity*; and *Statement on Michigan Governmental Accounting and Auditing No. 5*; these financial statements present all financial activities of the Village of Maple Rapids (primary government). The Village has no activities that would be classified as component units.

The inclusion of the activities of various agencies is based on the manifestation of oversight criteria, relying on such guidelines as the selection of the governing authority, the designation of management, the ability to exert significant influence on operations, and the accountability for fiscal matters. The accountability for fiscal matters considers the possession of the budgetary authority, the responsibility for surplus or deficit, the controlling of fiscal management, and the revenue characteristics, whether a levy or a charge. Consideration is also given to the scope of public service. The scope of public service considers whether the activity is for the benefit of the reporting entity and/or its residents and is within the geographic boundaries of the reporting entity and generally available to its citizens.

As of April 2000, the activities of the Village of Maple Rapids Community Center were under the control of the Village. The operations of the Village of Maple Rapids Community Center are reported in a Special Revenue Fund identified as the Community Center Fund.

Based upon the application of these criteria, the general purpose financial statements of the Village of Maple Rapids contain all the funds and account groups controlled by the Village Council.

2. Related Organization

Maple Rapids Public Library - The Maple Rapids Public Library was incorporated in 1928 under Public Act 84 of 1921. The Maple Rapids Public Library board is elected. The Village collects and distributes property taxes that are levied by the Library. The Village has no financial responsibility to the Library.

3. Basis of Presentation

The accounts of the Village are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Village resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report into three (3) fund types and two (2) account groups as follows:

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

December 31, 2003

**NOTE A: DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

3. Basis of Presentation - continued

GOVERNMENTAL FUNDS

- a. General Fund - The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. Special Revenue Funds (Major Street, Local Street, Fire, Community Center) - The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

PROPRIETARY FUNDS

- a. Enterprise Funds (Sewer System, Water System) - The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

ACCOUNT GROUPS

- a. General Fixed Assets Account Group - The General Fixed Assets Account Group is used to maintain control and cost information for all fixed assets of the Village other than those accounted for in the proprietary funds.
- b. General Long-Term Debt Account Group - The General Long-Term Debt Account Group is used to record the outstanding long-term obligations of the Village.

4. Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the Balance Sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

5. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenues are recognized when they become susceptible to accrual (when they become both "measurable" and "available to finance expenditures of the current period"). Revenues that are considered measurable, but not available, are recorded as a receivable and deferred revenue. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for interest on long-term debt which is recorded when due.

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

December 31, 2003

**NOTE A: DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

5. Basis of Accounting - continued

The proprietary funds are accounted for using the accrual basis of accounting. The revenues are recognized when they are earned, and the expenses are recognized when they are incurred.

6. Budgets and Budgetary Accounting

The General and Special Revenue Funds' budgets shown in the financial statements were prepared on a basis consistent with the modified accrual basis used to reflect actual results. The Village employs the following procedures in establishing the budgetary data reflected in the financial statements.

- a. The Treasurer submits to the Village Council the proposed operating budgets for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and resources to finance them.
- b. A Public Hearing is conducted to obtain taxpayers' comments.
- c. Prior to the beginning of the fiscal year, the budgets are legally adopted with passage by Council vote.
- d. The budgets are legally adopted at the activity level; however, they are maintained at the account level for control purposes.
- e. After the budgets are adopted, all transfers of budgeted amounts between accounts within a fund or activity or any revisions that alter the total expenditures of a fund or activity must be approved by the Village Council.
- f. The Village does not employ encumbrance accounting as an extension of formal budgetary integration in the governmental funds. Appropriations unused at December 31, 2003 are not carried forward to the following fiscal year.
- g. Budgeted amounts are reported as originally adopted or as amended by the Village Council. Budget amendments are made every quarter. The individual amendments were appropriately approved by the Village Council in accordance with required procedures.

7. Cash and Cash Equivalents

Cash equivalents are temporary investments that consist of various money market checking accounts and savings accounts. The cash and cash equivalents are recorded at market value.

8. Property Tax

The Village of Maple Rapids bills and collects its own property taxes. The Village's property tax revenue recognition policy and related tax calendar disclosures are highlighted in the following paragraph.

Property taxes are levied by the Village of Maple Rapids on July 1 and are payable without penalty through September 14. All real property taxes not paid to the Village by September 14 are turned over to the Clinton County Treasurer for collection. The Clinton County Treasurer remits payments to the Village on any delinquent real property taxes. Delinquent personal property taxes are retained by the Village for subsequent collection. Collections and remittances of all taxes are accounted for in the General Fund. Village property tax revenues are recognized as revenues in the fiscal year levied.

The Village is permitted to levy taxes up to 15 mills (\$15 per \$1,000 of assessed valuation) for general governmental services. For the year ended December 31, 2003, the Village levied 11.7612 mills for general governmental services. The total taxable value for the 2003 levy for property within the Village was \$8,034,235.

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

December 31, 2003

**NOTE A: DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

9. Interfund Transactions

During the course of normal operations, the Village has numerous transactions between funds, including expenditures and transfers of resources to provide services and construct assets. The accompanying financial statements generally reflect such transactions as operating transfers.

The General Fund records charges for administrative and labor services and equipment rental to various Village departments and funds as revenue. All Village funds record these payments as operating expenditures/expenses.

10. Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources".

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in a General Fixed Assets Account Group rather than in the governmental funds. The general fixed assets are recorded as expenditures at the time of purchase in the governmental fund types.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components.

Fixed assets are recorded at cost, or if donated, at fair market value at the date of donation. Expenditures that materially extend the useful life of existing assets are capitalized. Public domain (infrastructure) general fixed assets, which include roads, bridges, curbs and gutters, sidewalks, and drains, are not capitalized.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets.

The estimated useful lives are:

Utility plant, wells, and mains	20-50 years
Sewer system	20-50 years
Equipment	5-10 years

11. Comparative Data

Comparative data for the General and Special Revenue Funds has been presented in the accompanying financial statements in order to provide an understanding of changes in the Fund's financial position and operations of each fund. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.



## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

December 31, 2003

**NOTE A: DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED****12. Total Columns on Combined Statements**

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations, or changes in financial position in conformity with accounting principles generally accepted in the United States of America. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE B: CASH AND CASH EQUIVALENTS**

In accordance with Michigan Compiled Laws, the Village is authorized to invest in the following investment vehicles:

1. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
2. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a State or nationally chartered bank or a State or Federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this State under laws of this State or the United States, but only if the bank, savings and loan association, savings bank or credit union is eligible to be a depository of surplus funds belonging to the State under Section 6 of 1855 PA 105, MCL 21.146..
3. Commercial paper rated at the time of purchase within the three (3) highest classifications established by not less than two (2) standard rating services and which matures not more than 270 days after the date of purchase.
4. The United States government or federal agency obligations repurchase agreements.
5. Bankers acceptances of United States banks.
6. Mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

Federal Deposit Insurance Corporation (FDIC) regulations provide that deposits of governmental units are to be separately insured for the amount of \$100,000 for deposits in an insured bank for savings deposits and \$100,000 for demand deposits. Furthermore, if specific deposits are regulated by statute or bond indenture, these specific deposits are to be separately insured for the amount of \$100,000. Michigan Compiled Laws allow for collateralization of government deposits if the assets for pledging are acceptable to the State Treasurer under Section 3 of 1855 PA105, MCL 21.143, to secure deposits of State surplus funds, securities, issued by the Federal Loan Mortgage Corporation, Federal National Mortgage Association, or Government National Mortgage Association.

As of December 31, 2003, the carrying amounts and bank balances for each type of bank account are as follows:

<u>Cash</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
Money market checking	\$ 113,294	\$ 113,080
Money market savings	<u>39,344</u>	<u>38,309</u>
	<u>\$ 152,638</u>	<u>\$ 151,389</u>

Village of Maple Rapids

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

December 31, 2003

**NOTE B: CASH AND CASH EQUIVALENTS - CONTINUED**

Deposits of the Village are at federally insured banks located in the State of Michigan with all accounts maintained in the name of the Village. As of December 31, 2003, the Village accounts were insured by the FDIC for \$138,309 and the amount of \$13,080 was uninsured and uncollateralized.

Due to significantly higher cash flow at certain periods during the year, the amount the Village held as cash and cash equivalents increased significantly. As a result, the amount of uninsured and uncollateralized cash and cash equivalents were substantially higher at these peak periods than at year-end.

As of December 31, 2003, the carrying amount and market value for the mutual fund investments reported in the cash and cash equivalents caption on the combined balance sheet is as follows:

	<u>Carrying Amount</u>	<u>Market Value</u>
Uncategorized pooled investment funds	<u>\$ 207,987</u>	<u>\$ 207,987</u>

The Village has invested a portion of their surplus funds in Fifth Third Bank's Money Market Mutual Fund for local units of government. All investments in the fund appear to be in compliance with Michigan Compiled Laws Section 129.91 as amended.

**NOTE C: INTERFUND RECEIVABLES AND PAYABLES**

The amount of interfund receivables and payables at December 31, 2003, are as follows:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Fund</u>	<u>Interfund Payable</u>
General		General	
Major Street	\$ 582	Fire	\$ 10,203
Local Street	180		
Sewer System	347	Special Revenue	
Water System	<u>3,180</u>	Major Street	
	4,289	General	582
Special Revenue		Local Street	
Fire		General	<u>180</u>
General	<u>10,203</u>		762
		Enterprise	
		Sewer System	
		General	347
		Water System	
		General	<u>3,180</u>
			<u>3,527</u>
	<u>\$ 14,492</u>		<u>\$ 14,492</u>

Village of Maple Rapids

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

December 31, 2003

**NOTE D: ADVANCES RECEIVABLE AND PAYABLE**

The following schedule details advances receivable and payable between the funds at December 31, 2003:

<u>Fund</u>	<u>Advance To</u>	<u>Fund</u>	<u>Advance From</u>
General		Special Revenue	
Fire	\$ <u>46,397</u>	Fire	
		General	\$ <u>46,397</u>

**NOTE E: FIXED ASSETS**

A summary of changes in general fixed assets at December 31, 2003, follows:

	<u>Restated Balance Jan. 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Dec. 31, 2003</u>
Land and improvements	\$ 56,391	\$ -	\$ -	\$ 56,391
Buildings and improvements	104,313	-	-	104,313
Machinery and equipment	178,119	9,173	1,150	186,142
Vehicles	338,021	16,102	11,675	342,448
Office equipment and furniture	<u>10,783</u>	<u>670</u>	<u>-</u>	<u>11,453</u>
	<u>\$ 687,627</u>	<u>\$ 29,945</u>	<u>\$ 12,825</u>	<u>\$ 700,747</u>

A summary of Proprietary Fund Type fixed assets at December 31, 2003, follows:

	<u>Enterprise</u>
Utility plant, wells, and mains	\$ 652,220
Sewer system	735,563
Equipment	<u>31,573</u>
Total	1,419,356
Less: accumulated depreciation	<u>( 729,716 )</u>
Net fixed assets	<u>\$ 689,640</u>

**NOTE F: LONG-TERM DEBT**

The following is a summary of changes in long-term debt (including current portion) of the Village for the year ended December 31, 2003.

	<u>Balance Jan. 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Dec. 31, 2003</u>
General Long-Term Debt				
Notes payable				
Fire Truck – Fire Truck	\$ 13,056	\$ -	\$ 13,056	\$ -0-
Capital Lease – Police Car	<u>-</u>	<u>13,102</u>	<u>-</u>	<u>13,102</u>
	<u>\$ 13,056</u>	<u>\$ 13,102</u>	<u>\$ 13,056</u>	<u>\$ 13,102</u>

Village of Maple Rapids

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

December 31, 2003

**NOTE F: LONG-TERM DEBT - CONTINUED**

The Village has entered into a lease purchase agreement to finance the acquisition of a police car, for which the liability is recorded in the General Fund. The lease agreement qualifies as a capital lease for accounting purposes (title transfers at end of lease term at a bargain price) and therefore, has been recorded at the present value of future minimum lease payments as of the date of inception. The cost of equipment acquired under the lease purchase amounted to \$16,200.

Commitments under this lease agreement provide for minimum annual payments as follows:

<u>Years Ending December 31,</u>	
2004	\$ 5,400
2005	5,400
2006	<u>5,400</u>
	16,200
Less: Amount presenting interest	<u>( 3,098 )</u>
	<u>\$ 13,102</u>

**NOTE G: RISK MANAGEMENT**

The Village participates in a pool, the Michigan Township Participating Plan with other municipalities for various risks of loss including employer's liability, errors and omissions, and property and casualty losses. The pool is organized under Public Act 138 of 1982, as amended. The Village has no liability for additional assessments based on the claims filed against the pool nor do they have any right to dividends.

The Village also maintains commercial insurance coverage for workers' compensation.

**NOTE H: SEGMENT INFORMATION**

The Village operates the Sewer System and Water System utilities providing services to the various Village residents. Segment information for the fiscal year ended December 31, 2003, is as follows:

	<u>Sewer System</u>	<u>Water System</u>	<u>Total</u>
Operating revenues	\$ 27,843	\$ 35,210	\$ 63,053
Operating expenses			
Depreciation	16,460	14,330	30,740
Other	15,206	38,216	53,422
Operating (loss)	( 3,823 )	( 17,336 )	( 21,159 )
Net (loss)	( 3,428 )	( 16,121 )	( 19,549 )
Contributed capital	228,096	209,835	437,931
Net working capital	86,087	54,231	140,318
Total assets	395,255	443,696	838,951
Total equity	393,626	436,332	829,958

Village of Maple Rapids

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

December 31, 2003

**NOTE I: GASB STATEMENT NO. 34**

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments (Statement). Certain of the significant changes in the Statement include the following:

For the first time the financial statements will include:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Village's overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the Village's activities, including reporting infrastructure assets (roads, bridges, etc.).
- A change in the fund financial statements to focus on the major funds.

The general provisions of GASB Statement No. 34 must be implemented by the Village of Maple Rapids no later than the fiscal year ending December 31, 2004; the retroactive reporting of infrastructures, if any, must be implemented no later than the year ending December 31, 2008.

## **SUPPLEMENTAL FINANCIAL INFORMATION**

Village of Maple Rapids

General Fund

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

Year Ended December 31, 2003

With Actual Amounts for Year Ended December 31, 2002

	Amended Budget	2003 Actual	Variance Favorable (Unfavorable)	2002 Actual
<b>REVENUES</b>				
Taxes				
Current property taxes	\$ 101,450	\$ 102,041	\$ 591	\$ 102,927
Intergovernmental				
State shared revenue	75,000	72,791	(2,209)	79,868
Liquor license fees	500	593	93	595
Total intergovernmental	75,500	73,384	(2,116)	80,463
Charges for services				
Administrative and labor charges	18,000	20,461	2,461	17,905
Trash collection	23,000	23,300	300	21,989
Total charges for services	41,000	43,761	2,761	39,894
Interest and rents				
Interest	600	601	1	1,832
Rent	600	625	25	950
Rent - equipment	28,500	32,706	4,206	21,155
Total interest and rents	29,700	33,932	4,232	23,937
Other revenue				
Reimbursements	5,900	6,206	306	6,264
Reimbursements - insurance	7,000	7,000	-0-	10,936
Sale of fixed asset	-	-	-0-	500
Miscellaneous	-	1,944	1,944	483
Total other revenue	12,900	15,150	2,250	18,183
TOTAL REVENUES	260,550	268,268	7,718	265,404
<b>EXPENDITURES</b>				
General government				
Legislative				
Salaries and wages - Council	4,000	3,750	250	3,650
Executive				
Salaries and wages - President	3,150	3,150	-0-	3,150
Financial administration				
Clerk wages	5,775	6,256	(481)	5,775
Treasurer wages	4,358	4,721	(363)	4,358
Advertising	1,000	645	355	506
Supplies	2,350	2,223	127	2,593
Audit and accounting fees	1,000	983	17	671

Village of Maple Rapids

General Fund

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - CONTINUED

Year Ended December 31, 2003  
With Actual Amounts for Year Ended December 31, 2002

	Amended Budget	2003 Actual	Variance Favorable (Unfavorable)	2002 Actual
EXPENDITURES - CONTINUED				
General government - continued				
Financial administration - continued				
Dues and subscriptions	\$ 900	\$ 857	\$ 43	\$ 772
Miscellaneous	1,950	1,330	620	2,411
Total financial administration	17,333	17,015	318	17,086
Cemetery				
Salaries and wages	250	250	-0-	250
Total general government	24,733	24,165	568	24,136
Public safety				
Police				
Salaries and wages	23,000	18,357	4,643	13,322
Supplies and other	3,650	2,725	925	2,150
Repairs and maintenance	12,000	6,776	5,224	16,690
Total police	38,650	27,858	10,792	32,162
Total public safety	38,650	27,858	10,792	32,162
Public works				
Department of Public Works				
Salaries and wages	66,000	62,720	3,280	64,371
Operating supplies	6,500	5,399	1,101	5,056
Utilities	9,100	7,540	1,560	7,661
Repairs and maintenance	7,500	6,563	937	7,085
Contractual services	1,000	199	801	5,551
Equipment purchases	670	670	-0-	26,400
Total Department of Public Works	90,770	83,091	7,679	116,124
Trash collection				
Contractual services	22,500	22,237	263	20,603
Street lighting				
Utilities	10,000	9,722	278	9,087
Total public works	123,270	115,050	8,220	145,814



Village of Maple Rapids

General Fund

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - CONTINUED

Year Ended December 31, 2003  
With Actual Amounts for Year Ended December 31, 2002

	Amended Budget	2003 Actual	Variance Favorable (Unfavorable)	2002 Actual
EXPENDITURES - CONTINUED				
Health and welfare				
Ambulance contacted services	1,700	1,607	93	1,608
Recreation and cultura				
Community Center				
Utilities	\$ 3,500	\$ 3,018	\$ 482	\$ 2,808
Maintenance	500	4	496	241
Capital outlay	-	-	-0-	19,245
Total community center	4,000	3,022	978	22,294
Parks and recreation				
Salaries and wages	8,000	6,417	1,583	6,150
Miscellaneous	2,000	912	1,088	2,761
Total parks and recreation	10,000	7,329	2,671	8,911
Library				
Maple Rapids Library contribution	7,000	6,891	109	6,886
Total recreation and cultura	21,000	17,242	3,758	38,091
Other				
Fringe benefits				
Social Security and Medicare	10,000	8,335	1,665	7,501
Health insurance	15,000	13,774	1,226	9,910
Annuities	2,550	2,531	19	2,365
Insurance	35,000	33,838	1,162	27,759
Sidewalks	3,000	-	3,000	13,907
Other	2,400	-	2,400	287
Total other	67,950	58,478	9,472	61,729
TOTAL EXPENDITURES	277,303	244,400	32,903	303,540
EXCESS OF REVENUES (UNDER) EXPENDITURES	(16,753)	23,868	40,621	(38,136)
OTHER FINANCING USES				
Operating transfers out - Fire Fund	(7,000)	(7,000)	-0-	(7,000)
EXCESS OF REVENUES (UNDER) EXPENDITURES AND OTHER FINANCING USES	(23,753)	16,868	40,621	(45,136)
Fund balance, beginning of year	112,896	112,896	-0-	158,032
Fund balance, end of year	\$ 89,143	\$ 129,764	\$ 40,621	\$ 112,896

Village of Maple Rapids  
Special Revenue Funds  
COMBINING BALANCE SHEET  
December 31, 2003

	Major Street	Local Street	Fire
ASSETS			
Cash and cash equivalents	\$ 51,611	\$ 57,311	\$ 42,697
Due from other funds	-	-	10,203
Due from other governmental units			
State	<u>5,493</u>	<u>2,214</u>	<u>-</u>
 TOTAL ASSETS	 <u><u>\$ 57,104</u></u>	 <u><u>\$ 59,525</u></u>	 <u><u>\$ 52,900</u></u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 343	\$ 343	\$ 500
Advance from other funds	-	-	46,397
Due to other funds	<u>582</u>	<u>180</u>	<u>-</u>
 TOTAL LIABILITIES	 925	 523	 46,897
FUND BALANCES			
Unreserved			
Undesignated	<u>56,179</u>	<u>59,002</u>	<u>6,003</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u><u>\$ 57,104</u></u>	 <u><u>\$ 59,525</u></u>	 <u><u>\$ 52,900</u></u>

Community Center	Total
\$ 4,536	\$ 156,155
-	10,203
-	7,707
<u>\$ 4,536</u>	<u>\$ 174,065</u>
\$ -	\$ 1,186
-	46,397
-	762
-0-	48,345
<u>4,536</u>	<u>125,720</u>
<u>\$ 4,536</u>	<u>\$ 174,065</u>

Village of Maple Rapids

Special Revenue Funds

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Year Ended December 31, 2003

	Major Street	Local Street	Fire
REVENUES			
Intergovernmental - Federal/State	\$ 34,676	\$ 13,947	\$ -
Charges for services	-	-	37,000
Interest	294	281	318
Other	-	1,306	375
TOTAL REVENUES	34,970	15,534	37,693
EXPENDITURES			
Public safety			
Fire protection	-	-	28,403
Public works			
Highways and streets	24,740	11,640	-
Recreation and cultural			
Community center	-	-	-
Debt service	-	-	13,787
TOTAL EXPENDITURES	24,740	11,640	42,190
EXCESS OF REVENUES OVER EXPENDITURES	10,230	3,894	(4,497)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	4,626	7,000
Operating transfers out	(4,626)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(4,626)	4,626	7,000
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	5,604	8,520	2,503
Fund balances, beginning of year	50,575	50,482	3,500
Fund balances, end of year	\$ 56,179	\$ 59,002	\$ 6,003

Community Center	Total
\$ -	\$ 48,623
3,555	40,555
17	910
<u>2,620</u>	<u>4,301</u>
6,192	94,389
-	28,403
-	36,380
4,532	4,532
<u>-</u>	<u>13,787</u>
<u>4,532</u>	<u>83,102</u>
1,660	11,287
-	11,626
<u>-</u>	<u>(4,626)</u>
<u>-0-</u>	<u>7,000</u>
1,660	18,287
<u>2,876</u>	<u>107,433</u>
<u>\$ 4,536</u>	<u>\$ 125,720</u>

Village of Maple Rapids

Major Street Fund

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

Year Ended December 31, 2003

With Actual Amounts for Year Ended December 31, 2002

	Amended Budget	2003 Actual	Variance Favorable (Unfavorable)	2002 Actual
REVENUES				
Intergovernmental - State				
Gas and weight tax	\$ 32,000	\$ 34,676	\$ 2,676	\$ 33,230
Interest	275	294	19	667
TOTAL REVENUES	32,275	34,970	2,695	33,897
EXPENDITURES				
Administration				
Insurance and bonds	1,000	-	1,000	796
Professional services	2,200	928	1,272	1,400
Total administration	2,200	928	1,272	1,400
Street maintenance				
Labor charges	6,000	4,790	1,210	4,382
Equipment rental charges	13,000	12,289	711	9,025
Paving	5,000	4,355	645	-
Repairs and maintenance	2,000	146	1,854	27,113
Supplies	2,000	1,396	604	1,309
Other	1,000	836	164	855
Total street maintenance	29,000	23,812	5,188	42,684
TOTAL EXPENDITURES	31,200	24,740	6,460	44,084
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,075	10,230	9,155	(10,187)
OTHER FINANCING (USES)				
Transfer to Local Street Fund	(4,626)	(4,626)	-0-	(6,350)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(3,551)	5,604	9,155	(16,537)
Fund balance, beginning of year	51,371	50,575	(796)	67,908
Fund balance, end of year	\$ 47,820	\$ 56,179	\$ 8,359	\$ 51,371

Village of Maple Rapids

Local Street Fund

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

Year Ended December 31, 2003

With Actual Amounts for Year Ended December 31, 2002

	Amended Budget	2003 Actual	Variance Favorable (Unfavorable)	2002 Actual
REVENUES				
Intergovernmental - State				
Gas and weight tax	\$ 11,000	\$ 13,947	\$ 2,947	\$ 13,354
Interest	-	281	281	-
Other	1,200	1,306	106	281
TOTAL REVENUES	12,200	15,534	3,334	13,635
EXPENDITURES				
Administration				
Insurance and bonds	1,000	835	165	855
Professional services	1,500	743	757	796
Total administration	2,500	1,578	922	1,651
Street maintenance				
Labor charges	4,000	2,786	1,214	1,587
Equipment rental charges	5,500	4,953	547	3,104
Paving	1,000	1,000	-0-	-
Repairs and maintenance	-	146	(146)	46
Supplies	1,500	1,177	323	740
Total street maintenance	12,000	10,062	1,938	5,477
TOTAL EXPENDITURES	14,500	11,640	2,860	7,128
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,300)	3,894	6,194	6,507
OTHER FINANCING SOURCES				
Transfer from Major Street Fund	4,626	4,626	-0-	6,350
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	2,326	8,520	6,194	12,857
Fund balance, beginning of year	50,482	50,482	-0-	37,625
Fund balance, end of year	\$ 52,808	\$ 59,002	\$ 6,194	\$ 50,482

Village of Maple Rapids

Fire Fund

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

Year Ended December 31, 2003

With Actual Amounts for Year Ended December 31, 2002

	Amended Budget	2003 Actual	Variance Favorable (Unfavorable)	2002 Actual
<b>REVENUES</b>				
Intergovernmental - Federal	\$ -	\$ -	\$ -0-	\$ 39,037
Charges for services				
Fire runs	2,000	2,000	-0-	-
Retainer fees	30,000	35,000	5,000	25,250
Interest	200	318	118	458
Other	375	375	-0-	300
<b>TOTAL REVENUES</b>	<b>32,575</b>	<b>37,693</b>	<b>5,118</b>	<b>65,045</b>
<b>EXPENDITURES</b>				
Fire protection				
Salaries and wages	2,500	2,382	118	1,428
Insurance	5,225	5,211	14	3,179
Equipment purchases	16,700	16,113	587	35,495
Repairs and maintenance	2,000	1,194	806	462
Professional services	1,000	683	317	671
Office supplies	2,040	2,095	(55)	10,860
Miscellaneous	1,800	725	1,075	2,282
<b>Total fire protection</b>	<b>31,265</b>	<b>28,403</b>	<b>2,862</b>	<b>54,377</b>
Debt service				
Principal	25,000	13,056	11,944	12,724
Interest	-	731	(731)	1,444
<b>Total debt service</b>	<b>25,000</b>	<b>13,787</b>	<b>11,213</b>	<b>14,168</b>
<b>TOTAL EXPENDITURES</b>	<b>56,265</b>	<b>42,190</b>	<b>14,075</b>	<b>68,545</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(23,690)</b>	<b>(4,497)</b>	<b>19,193</b>	<b>(3,500)</b>
<b>OTHER FINANCING SOURCES</b>				
Transfer from General Fund	7,000	7,000	-0-	7,000
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</b>	<b>(16,690)</b>	<b>2,503</b>	<b>19,193</b>	<b>3,500</b>
Fund balance, beginning of year	3,500	3,500	-0-	-
Fund balance (deficit), end of year	<u>\$ (13,190)</u>	<u>\$ 6,003</u>	<u>\$ 19,193</u>	<u>\$ 3,500</u>



Village of Maple Rapids

Community Center Fund

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

Year Ended December 31, 2003  
With Actual Amounts for Year Ended December 31, 2002

	Amended Budget	2003 Actual	Variance Favorable (Unfavorable)	2002 Actual
REVENUES				
Charges for services				
Rentals	\$ 9,250	\$ 3,555	\$ (5,695)	\$ 3,475
Interest	30	17	(13)	26
Other				
Donations	50	-	(50)	1,300
Fundraising	2,500	2,443	(57)	2,549
Other	-	177	177	221
TOTAL REVENUES	11,830	6,192	(5,638)	7,571
EXPENDITURES				
Recreational and cultural				
Office supplies	700	223	477	271
Utilities	3,800	3,232	568	2,555
Postage	150	37	113	47
Repairs and maintenance	1,350	853	497	2,924
Equipment	-	-	-0-	2,405
Other	730	187	543	355
TOTAL EXPENDITURES	6,730	4,532	2,198	8,557
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,100	1,660	(3,440)	(986)
Fund balance, beginning of year	2,876	2,876	-0-	3,862
Fund balance, end of year	\$ 7,976	\$ 4,536	\$ (3,440)	\$ 2,876

Village of Maple Rapids  
Enterprise Funds  
COMBINING BALANCE SHEET  
December 31, 2003

	<u>Sewer System</u>	<u>Water System</u>	<u>Total</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 80,768	\$ 53,051	\$ 133,819
Utilities receivable	<u>6,948</u>	<u>8,400</u>	<u>15,348</u>
Total current assets	87,716	61,451	149,167
Fixed assets			
Utility plant, wells, and mains	-	652,220	652,220
Sewer system	735,563	-	735,563
Equipment	24,538	7,035	31,573
Accumulated depreciation	<u>(452,562)</u>	<u>(277,154)</u>	<u>(729,716)</u>
Net fixed assets	<u>307,539</u>	<u>382,101</u>	<u>689,640</u>
TOTAL ASSETS	<u><u>\$ 395,255</u></u>	<u><u>\$ 443,552</u></u>	<u><u>\$ 838,807</u></u>
LIABILITIES AND FUND EQUITY			
LIABILITIES			
Current liabilities			
Accounts payable	\$ 1,282	\$ 4,184	\$ 5,466
Due to other funds	<u>347</u>	<u>3,180</u>	<u>3,527</u>
TOTAL LIABILITIES	1,629	7,364	8,993
FUND EQUITY			
Contributed capital			
Federal government	-	190,470	190,470
Taxpayers	228,096	19,365	247,461
Retained earnings - unreserved	<u>165,530</u>	<u>226,353</u>	<u>391,883</u>
TOTAL FUND EQUITY	<u>393,626</u>	<u>436,188</u>	<u>829,814</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$ 395,255</u></u>	<u><u>\$ 443,552</u></u>	<u><u>\$ 838,807</u></u>

Village of Maple Rapids

Enterprise Funds

COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN RETAINED EARNINGS

Year Ended December 31, 2003

	Sewer System	Water System	Total
OPERATING REVENUES			
Charges for services	\$ 27,843	\$ 35,066	\$ 62,909
OPERATING EXPENSES			
Labor charges	4,140	8,746	12,886
Contractual services	683	683	1,366
Utilities	2,111	4,212	6,323
Repairs and maintenance	146	6,806	6,952
Equipment rental charges	5,242	10,222	15,464
Water/Sewer sample testing	910	842	1,752
Other	1,974	6,705	8,679
Depreciation	16,460	14,330	30,790
TOTAL OPERATING EXPENSES	31,666	52,546	84,212
OPERATING (LOSS)	(3,823)	(17,480)	(21,303)
NONOPERATING REVENUES			
Intergovernmental - State	-	859	859
Interest revenue	395	356	751
TOTAL NONOPERATING REVENUES	395	1,215	1,610
NET (LOSS)	(3,428)	(16,265)	(19,693)
Add depreciation on contributed fixed assets	10,370	8,500	18,870
INCREASE (DECREASE) IN RETAINED EARNINGS	6,942	(7,765)	(823)
Retained earnings, beginning of year	158,588	234,118	392,706
Retained earnings, end of year	\$ 165,530	\$ 226,353	\$ 391,883

Village of Maple Rapids

Enterprise Funds

COMBINING STATEMENT OF CASH FLOWS

Year Ended December 31, 2003

	Sewer System	Water System	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating (loss)	\$ (3,823)	\$ (17,480)	\$ (21,303)
Adjustments to reconcile operating (loss) to net cash provided (used) by operating activities			
Depreciation	16,460	14,330	30,790
(Increase) in utilities receivable	(826)	(803)	(1,629)
Increase in accounts payable	81	619	700
Increase in due to other funds	73	2,426	2,499
NET CASH PROVIDED (USED) OPERATING ACTIVITIES	11,965	(908)	11,057
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Intergovernmental - State	-	859	859
Interest revenue	395	356	751
NET CASH PROVIDED BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	395	1,215	1,610
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING YEAR	12,360	307	12,667
Cash and cash equivalents, beginning of year	68,408	52,744	121,152
Cash and cash equivalents, end of year	<u>\$ 80,768</u>	<u>\$ 53,051</u>	<u>\$ 133,819</u>